

AMENDMENT 823: TO ENSURE ENVIRONMENTAL INFRASTRUCTURE ACTIVITIES ARE NOT EXEMPT FROM REVIEW BY THE INFRASTRUCTURE DEAUTHORIZATION COMMISSION

This amendment would ensure that, like other water infrastructure projects, environmental infrastructure (EI) projects may be reviewed by the Infrastructure Deauthorization Commission.

CRS notes, “Because environmental infrastructure activities are not traditional Corps water resources projects, they are not subject to the Corps planning process (e.g., a benefit-cost analysis is not performed), or to the deauthorization process....”¹

No administration’s budget has ever requested funding for these projects, since they are outside of the Corps’ mission areas, duplicate programs in other agencies, and lack normal cost-benefit assessments. At minimum, these programs should not be exempt from the Deauthorization Commission that other Corps projects are subject to.

Summary of Infrastructure Deauthorization Commission

S. 601 creates an independent Infrastructure Deauthorization Commission to review suggestions for deauthorizations of water resources projects. The commission is staffed by eight members nominated by the president and confirmed by the Senate under an expedited procedure. The commission will solicit public comment on water resources infrastructure, and submit a list of water resources projects for deauthorization within 4 years of

¹ Nicole T. Carter and Charles V. Stern, “Army Corps of Engineers Water Resource Projects: Authorization and Appropriations,” R41243, Congressional Research Service, March 22, 2013.

enactment. The projects will be deemed deauthorized unless Congress passes a joint resolution within 180 days disapproving of the entire list.

Amendment:

The amendment specifies that the water resources projects the Commission must consider includes environmental infrastructure projects.

Background

Congress first authorized environmental infrastructure projects in 1992. Today, total authorized appropriations exceed \$5.5 billion for over 350 projects. However, only 67 of these projects have received actual appropriations. The total amount of these appropriations, \$1.3 billion, is less than a quarter the amount of authorizations. In FY 2012, Congress appropriated only \$30 million for EI projects.² These authorizations represent an empty promise to communities.

The cost share for most EI projects is a maximum of 75 percent federal and at least 25 percent non-federal. The federal government does not typically contribute to operation and maintenance for EI projects.³

The projects are not ordinary Corps of Engineers activities, and therefore do not require the ordinary planning and accountability measures. According to the Congressional Research Service

² Congressional Research Service correspondence, April 8, 2013.

³ Nicole T. Carter and Charles V. Stern, "Army Corps of Engineers Water Resource Projects: Authorization and Appropriations," R41243, Congressional Research Service, March 22, 2013.

(CRS), “Environmental infrastructure projects do not undergo the same type of feasibility studies as other Corps projects...”⁴

The Obama Administration Recommended Eliminating Environmental Infrastructure Funding from the Corps Budget

No administration has requested funding for EI projects in the Corps of Engineers budget.⁵ President Obama’s FY 2012 budget recommended ending Corps of Engineers funding for EI projects:

Water and wastewater treatment projects, often referred to as "environmental infrastructure" projects, are outside the Corps of Engineers' main mission areas of commercial navigation, flood and storm damage reduction, and significant aquatic ecosystem restoration.

The budget noted the lack of metrics and accountability for these projects:

The Corps does not assess the economic and environmental costs and benefits of these water and wastewater treatment projects and, therefore, has no basis to determine the value of these projects to the Nation. Providing funding in the Corps of Engineers' budget for environmental infrastructure projects is not cost effective and duplicates funding for these types of projects in other Federal agencies, including the Environmental Protection Agency and the Department of Agriculture. Congressional funding for these projects through the Corps bypasses those agencies' processes for setting funding priorities.⁶

⁴ Nicole T. Carter, “Memorandum: Credit for Nonfederal Work on Army Corps Projects,” Congressional Research Service, April 12, 2013.

⁵ Nicole T. Carter and Charles V. Stern, “Army Corps of Engineers Water Resource Projects: Authorization and Appropriations,” R41243, Congressional Research Service, March 22, 2013.

⁶ “Terminations, Reductions, And Savings,” Fiscal Year 2012 Budget Of The U.S. Government, p. 84,

<http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/trs.pdf>

The Fiscal Commission Likewise Recommended Ending Environmental Infrastructure Funding in the Corps Budget

The proposal of the Cochairs of the National Commission on Fiscal Responsibility and Reform states:

One particular program that could be eliminated is the Water and Wastewater Treatment Program. The administration has argued that the program authorizes projects that are outside of the Corps of Engineers' mission areas, specifically those which duplicate efforts made by other federal agencies, including the Environmental Protection Agency and the Department of Agriculture.⁷

A Good Government Group has Called for Ending the Program

Taxpayers for Common Sense echoes the concerns of the Obama administration and others, noting the lack of economic analysis and lack of connection to the Corps' primary mission:

The Army Corps of Engineers' Environmental Infrastructure program duplicates and undermines other more cost-effective and accountable governmental programs. Under this program, Congress designates a state, city, or county for environmental infrastructure funding, which includes municipal water supply, drinking water treatment, and wastewater treatment projects. Congress then provides grants for 65% of the costs for unspecified water projects in these areas with no strings attached. The necessity, value, and effectiveness of these projects is difficult to determine because they are not subject to standard economic analyses. The water projects funded under this program are not the legislated primary mission areas for the Corps (navigation, flood and storm damage reduction, and

⁷ "CoChair's Proposal," National Commission on Fiscal Responsibility and Reform, November 10, 2010,

http://www.fiscalcommission.gov/sites/fiscalcommission.gov/files/documents/Ilustrative_List_11.10.2010.pdf

environmental restoration), but instead directly compete with those missions for limited funding.⁸

Environmental Infrastructure Funding in the Corps of Engineers Budget Duplicates Programs at Other Agencies

As the president's budget notes, the Corps of Engineer's EI funding duplicates USDA and EPA funding. Considerable fragmentation and overlap in water and wastewater infrastructure already exist between the three programs run by USDA and EPA. Corps of Engineers funding adds to this duplication. The Government Accountability Office (GAO) writes:

Funding for rural water and wastewater infrastructure is fragmented across the three federal programs GAO reviewed, leading to program overlap and possible duplication of effort when communities apply for funding from these programs. The three federal water and wastewater infrastructure programs—the Environmental Protection Agency's (EPA) Drinking Water and Clean Water State Revolving Fund (SRF) programs and the U.S. Department of Agriculture's (USDA) Rural Utilities Service (RUS) Water and Waste Disposal program—have, in part, an overlapping purpose to fund projects in rural communities with populations of 10,000 or less.⁹

In addition, the Departments of Interior (DOI), Housing and Urban Development (HUD), and Economic Development Administration (EDA) provide grants for multi-purpose projects which may include environmental infrastructure.¹⁰ According to GAO:

⁸ Taxpayers for Common Sense, "TCS Budget Cut List for the 112th Congress: Infrastructure," February 10, 2011, <http://www.taxpayer.net/library/article/tcs-budget-cut-list-for-the-112th-congress-infrastructure>

⁹ Government Accountability Office, "Rural Water Infrastructure: Additional Coordination Can Help Avoid Potentially Duplicative Application Requirements," October 2012.

¹⁰ Claudia Copeland, Congressional Research Service, "Federally Supported Water Supply and Wastewater Treatment Programs," April 30, 2012, <http://www.crs.gov/pages/Reports.aspx?PRODCODE=RL30478&Source=search>

Other federal agencies have programs that provide funds for drinking water and wastewater infrastructure, including HUD's Community Development Block Grant program and the Department of Commerce's Economic Development Administration's Public Works and Economic Development Program. Under HUD's program, communities use block grants for a broad range of activities to provide suitable housing in a safe living environment, including water and wastewater infrastructure....In addition, the U.S. Army Corp of Engineers and the Department of the Interior's Bureau of Reclamation provide financial assistance for some large drinking water and wastewater projects, but these projects must be authorized by Congress prior to construction.¹¹

¹¹ Government Accountability Office, "Rural Water Infrastructure: Additional Coordination Can Help Avoid Potentially Duplicative Application Requirements," October 2012.